UNITED
NATIONS

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General Assembly

Distr.
GENERAL

A/52/7/Add.8
18 December 1997

ORIGINAL: ENGLISH

Fifty-second session
Agenda item 116

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

Salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Administrator of the United Nations Development Programme

Ninth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions was informed that the current salaries of the Secretary-General and the Administrator of the United Nations Development Programme (UNDP) are as follows:

	Gross salary	Net salary	Post adjustment	Net remuneration
	(United States dollars)			
Secretary-General	227 253	140 484	73 052	213 536
Administrator of UNDP	179 537	113 286	58 909	172 195

The Secretary-General also receives a representation allowance of $25,000 and the Administrator of UNDP receives $10,000. The Advisory Committee was informed that the maximum annual retirement allowance for the Secretary-General is $106,727; the pensionable remuneration of the Administrator is $208,537.

2. In its resolution 51/216 of 18 December 1996, the General Assembly approved the consolidation of 5.26 points of post adjustment into the base/floor salary scale and increased the scale by 0.4 per cent. The impact of that action resulted in a revised base/floor salary scale applicable to staff in the Professional category and above with effect from 1 January 1997. The Advisory

Committee was informed that the post adjustment multiplier applicable at New York was 44.4 effective 1 January 1997 and 47 effective 1 November 1997.

3. The Advisory Committee was informed that these measures had not been applied to the salaries of the Secretary-General and the Administrator of UNDP. If they had been applied to them, the result would have been as follows:

	1 January 1997	1 November 1997
	(United States dollars)	
Secretary-General		
(a) Net base salary	148 465	148 465
(b) Post adjustment	65 918	69 779
Total net	214 383	218 244
Administrator of UNDP		
(a) Net base salary	119 722	119 722
(b) Post adjustment	53 157	56 269
Total net	172 879	175 991

4. The Advisory Committee recalled that in its resolution 51/216 the General Assembly had also approved a revised scale of staff assessment for staff in the Professional category and above effective 1 January 1997. The Advisory Committee was informed that the reverse application of the staff assessment rates to the revised "with dependants" rate of the net base salary ($148,465) would have resulted in a decrease in the gross salary of the Secretary-General from the current level of $227,253 to $220,968 as at 1 January 1997.

5. In its resolution 45/251 of 21 December 1990, the General Assembly concurred with the recommendation of the Advisory Committee that the retirement allowance of the Secretary-General be set at an amount equivalent to 50 per cent of the recommended net remuneration (net base salary plus post adjustment) and that it be adjusted by application of the same procedure and percentage used for adjusting the scale of pensionable remuneration for staff in the Professional category and above. On this basis, the retirement allowance of the Secretary-General would have increased to $109,122 effective 1 November 1997.

6. The Advisory Committee was informed that the reverse application of staff assessment rates to the revised "with dependants" rate of the net base salary ($119,722) would have resulted in a decrease in the gross salary of the Administrator of UNDP from the current level of $179,537 to $175,344 effective 1 January 1997.

7. With regard to the pensionable remuneration of the Administrator of UNDP, the Advisory Committee was informed that, in the past, it had been revised between comprehensive reviews by application of the same adjustment procedure

and percentage increase applied to the scale of pensionable remuneration in effect for staff in the Professional category and above. The Advisory Committee was also informed that the pensionable remuneration of staff in the Professional category and above was revised effective 1 January 1997 to reflect the revised salary scale for staff in the Professional category and above effective 1 January 1997 as well as the revised scale of staff assessment approved by the General Assembly in section III of its resolution 51/216. Accordingly, the pensionable remuneration of the Administrator of UNDP could have been revised from $205,861 to $208,537 with effect from 1 January 1997. As a result of the increase in pensionable remuneration for staff in the Professional category and above, effective 1 November 1997, the pensionable remuneration of the Administrator of UNDP could have increased from $208,537 to $212,291 as at the same date.

8. Taking into account the analysis in the paragraphs above, it is recommended that the revised salary and retirement allowance of the Secretary-General and the revised salary and pensionable remuneration of the Administrator of UNDP be set at their 1 November 1997 levels effective 1 January 1998.

Financial implications

9. The financial implications of the recommendations made in the preceding paragraphs are summarized below.

Secretary-General

(a) Gross salary. The change in the gross salary of the Secretary-General would result in a decrease of expenditure of staff assessment under section 32, Staff assessment, of the proposed programme budget for the biennium 1998-1999 estimated at $12,570, with a corresponding decrease of income under income section 1, Income from staff assessment, in the amount of $12,570;

(b) Net salary. Should the total net salary of the Secretary-General (net base salary plus post adjustment) be increased, there would be an increase of expenditure under section 1A, Overall policy-making, direction and coordination, of the proposed programme budget for the biennium 1998-1999 estimated at $9,416;

(c) Retirement allowance. The consequential increases in the maximum allowance for three former Secretaries-General would result in a total additional cost under section 30, Special expenses, of the proposed programme budget for the biennium 1998-1999, estimated at $14,370 at the rate of $2,395 per former Secretary-General for 1998.

10. The Advisory Committee was informed that, should the General Assembly approve the proposals outlined above, the Secretariat would reflect the changes involved in the context of the first performance report for the biennium 1998-1999.

11. A draft resolution embodying the Advisory Committee's recommendations is annexed to the present report.

ANNEX

Draft resolution

Salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Administrator of the United Nations Development Programme

The General Assembly,

Having considered the report of the Advisory Committee on Administrative and Budgetary Questions,[a]

1. Concurs with the recommendation of the Advisory Committee on Administrative and Budgetary Questions concerning the salary and retirement allowance of the Secretary-General contained in paragraph 8 of its report;[a]

2. Also concurs with the recommendation of the Advisory Committee concerning the salary and pensionable remuneration of the Administrator of the United Nations Development Programme contained in paragraph 8 of its report;

3. Approves the amendment to annex I to the Staff Regulations of the United Nations with effect from 1 January 1998, as set forth in the annex to the present resolution.

Annex

Amendment to annex I to the Staff Regulations of the United Nations

In paragraph 1, the gross salary figure for the Administrator of the United Nations Development Programme shall read 175,344 United States dollars.

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[a] A/52/7/Add.8.